## **Introduced by Senator Kuehl**

## February 22, 2005

An act to amend Section 805.2 of the Business and Professions Code, relating to healing arts.

## LEGISLATIVE COUNSEL'S DIGEST

SB 932, as introduced, Kuehl. Health care professionals: professional review.

Existing law provides a procedure for the professional review of specified healing arts licentiates by a peer review body. Existing law declares the intent of the Legislature to provide for a comprehensive peer review study to be conducted by the Institute for Medical Quality that would, among other things, review and evaluate the existing peer review process in this state. Existing law requires that the institute work with and be under the general oversight of the Medical Director of the Medical Board of California in conducting the study, and that the institute submit a written report regarding its findings and recommendations to the board and the Legislature by November 1, 2003.

This bill would instead require the institute to submit a written report regarding its findings and recommendations to the board and the Legislature by November 1, 2006.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:* 

- 1 SECTION 1. Section 805.2 of the Business and Professions
- 2 Code is amended to read:

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805.2. (a) It is the intent of the Legislature to provide for a comprehensive study of the peer review process as it is conducted by peer review bodies defined in paragraph (1) of subdivision (a) of Section 805, in order to evaluate the continuing validity of Section 805 and Sections 809 to 809.8, inclusive, and their relevance to the conduct of peer review in California. The Medical Board of California shall contract with the Institute for Medical Quality to conduct this study, which shall include, but not be limited to, the following components:

- (1) A comprehensive description of the various steps of and decision makers in the peer review process as it is conducted by peer review bodies throughout the state, including the role of other related committees of acute care health facilities and clinics involved in the peer review process.
- (2) A survey of peer review cases to determine the incidence of peer review by peer review bodies, and whether they are complying with the reporting requirement in Section 805.
- (3) A description and evaluation of the roles and performance of various state agencies, including the State Department of Health Services and occupational licensing agencies that regulate healing arts professionals, in receiving, reviewing, investigating, and disclosing peer review actions, and in sanctioning peer review bodies for failure to comply with Section 805.
- (4) An assessment of the cost of peer review to licentiates and the facilities which employ them.
- (5) An assessment of the time consumed by the average peer review proceeding, including the hearing provided pursuant to Section 809.2, and a description of any difficulties encountered by either licentiates or facilities in assembling peer review bodies or panels to participate in peer review decision making.
- (6) An assessment of the need to amend Section 805 and Sections 809 to 809.8, inclusive, to ensure that they continue to be relevant to the actual conduct of peer review as described in paragraph (1), and to evaluate whether the current reporting requirement is yielding timely and accurate information to aid licensing boards in their responsibility to regulate and discipline healing arts practitioners when necessary, and to assure that peer review bodies function in the best interest of patient care.

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(7) Recommendations of additional mechanisms to stimulate the appropriate reporting of peer review actions under Section 805.

- (8) Recommendations regarding the Section 809 hearing process to improve its overall effectiveness and efficiency.
- (b) The Institute of Medical Quality shall exercise no authority over the peer review processes of peer review bodies. However, peer review bodies, health care facilities, health care clinics, and health care service plans shall cooperate with the institute and provide data, information, and case files as requested in the time frames specified by the institute.
- (c) The institute shall work in cooperation with and under the general oversight of the Medical Director of the Medical Board of California and shall submit a written report with its findings and recommendations to the board and the Legislature no later than November 1,2003 2006.